App. F. IX-4

1930.

File No. 223-30

Serial Nos. 1 to 5-11

Previous References
I & C 349-27 (1-2) I & C
" 68-26 (17, 20, 21, 24, 27-31)
" 424-28 (1-2)
" 429-29 (4, 6)

Later References
I & C 223-30 (12, 13)
134-32 (1-2)
165-32-1-9
I & C 250-33 (1-4)
" 115-35-3 to 6.

PRESERVED

General and Revenue Secretariat.

Serial Nos. Eight.

Part B for 1930

SUBJECT.

Agency for the sale of stamps in Bombay, United Provinces, Central Provinces and Nizam's Dominions

D 10000-9 & S.S.R.

Sir. I and C ... Compn. to Govt.

Sanctions the proposal of the Sir. I and C.

Re ——

OFFICE OF THE
THIRD MEMBER OF COUNCIL.
9 JAN. 1931
No. 347/

GEN. DEPT. SECTT.
5141
10 JAN

1. I understand that there is no Govt. Counsel present in the Bombay Secretariat. Please get the minutes called for from the Dist.

A
9/1/31

2. Please do this today
RP

3. Messrs. Ramjanhally Ebrahim & Co. have been appointed as agents for the sale of Mysore soaps in Bombay for a period of 3 years from 20th January 1928. In his letter dated 23rd July 1930 the Director of Industries & Commerce -- reported that these Agents were not working satisfactorily and sought Govt. sanction to terminate their agency after giving them 3 months' notice, about the end of November 1930. This was approved by Government. Accordingly the Director has since reported in his letter dated the 5th January 1931 that notice of -- termination of the agency has been given

7. —

Separately Sub? —

given to the firm and he is making enquiries and will submit proposals for sanction of Government for the appointment of new agents on the termination of the present agency on the 28th of this month. If approved, the Director of Industries & Commerce will be requested to send up his recommendations for the appointment of new agency soon.

A

MB
16/1/31

(Secretary)

A. Yes. Please do so and submit the file & the 3rd minute for perusal

RG
12/1/31.

S. SM
MB
13/1/31

1. Dft. Sent.
Taken KP
13.1.31

7. Issue to submit
MB
13.1.31

To the Govt. of Bo. D. 7340 of 16.1.31
Requests him to expedite his proposals for the appointment of new agents for the Sale of Soaps in the Bombay Presidency.
8. Sent for perusal with reference to the Member's minute in-page 1.
Taken KP
16.1.31

(Hon'ble Member)

MB
16-1-31

OFFICE OF THE HON'BLE MEMBER
19 MAR 1931
No. 3846

9. R
19/1

RG
19.1.31

MB
20/1/31

6382 -5

App. F. III—2]

General and Revenue Secretariat | File No. 223 of 1930.

Serial No.	
5	From Ramjanally Ibrahim Bros. Telegram dt 18.2.31. Request that they may be continued as agents for the Sale of Soaps in the Bombay Presidency.
10.	I Member's orders on the p.u.r.s "please send to Dir. of Stc". Subd with a dft. Initials 19.2.31.
11.	Issue Ber 19/2
	der Secy
6	To the Dir. of Stc D. 8291 dt 19.2.31. Forwards the telegram & requests him to expedite his proposals re-Agency
	Subd
	From the Dir. of Stc D2-682/27-28 dt 3.2.31
7	States that a reply telegram has been sent to messrs. Ramjanally Ibrahim Bros that the matter would be settled after the Inspector Chemist's return to Bangalore and that action that his proposals would be subd. to Govt. after Mr. Sastry's return to Bangalore.
12	Subd for perusal & orders with refce to para 10 The Dir's. final proposals may be awaited. Initials 5.3.31
13	Mr Sastry has returned. Remind Dr. about his report at once. dly 5/3/31
14	Subd with a dft D.O. Initials 6.3

Reminder no. 8755 dt 7.3.31

NOTE—Contn. Sheet.

WH 02553—GPB—50,000—8-7-30

App. F. III.—2]

General and Revenue Secretariat — File No. 223 of 1930.

Serial No.	
8	From the Dir. of Ste D₂-682/27-28 17.3.31. Recommends that the agency of messrs Ramjanally Ibrahim & Co. may be continued on certain terms & that ~~for ages~~ messrs. Mohanlal Moolchandani, Cawnpore & messrs. Habib Aziz & Co. may be appointed as agents for the Sale of Soaps in the Central Provinces & the Nizam's Dominions respectively Subject ~~to~~ to certain conditions. Vide messrs. M. A. T. Acharya & Co., the Agents for the Sale of Soap in Mysore, have also applied for ~~being~~ the Agency in the Bombay Presidency. (the file is linked) Subj: for orders Initials 24.3.31. Messrs M. A. T. Acharya of Bangalore have applied for the Bombay Agency and their representative was sent to the Director for his remarks along with the agency proposals to be submitted by them. In his present proposals submitted a month later the Director makes no reference at all to Messrs M. A. T. Acharya and their request. The Industrial Chemist has also not referred to the subject in his report. It is for orders if before taking the Director's present proposals
on 11-2-1931	

NOTE—Contn. Sheet.

6576
6692

into Consideration he may be asked to send up his report as mentd in Mr. T. Acharya's report. ||

18 The period of agency of Messrs Rajapurwalla for Bombay and Northern India expired on 28. 2. 1931. He was given notice in Nov. 1930 that his agency would be terminated after the expiry of the period then running.

19 It is now proposed to have agencies as follows:-

For Bombay - Messrs Ranjanwalla - Three years.
For U P & C P Messrs Moolchandani, Cawnpore - One year
For Hyderabad State Messrs Habib Asgi & Co Hyderabad - One year

20 If the above is approved the terms of the several agencies proposed (in Draft) may also be approved as they are generally suitable.

25 3 31

Dev Secy)

21. Please enquire whether on finalising these proposals, the appeal of Mr. T. Acharya has also been considered.

5 4 31

22 Draft attached

6/4/31

23
Draft Sanctd.
6.4.31

6/4/31

6192 N

General and Revenue Secretariat

App. F. III—2]

File No. 223 of 1930-1

Serial No.	
9.	D 9460 dt 8.4.31 To Dir. Pte. Enquires whether the application of M/s. M. A. T. Acharya & Co has also been considered in submitting the proposals made in D &
10.	From the Dir. of Ste D-682/27-8 dt 18.4.31 States that, for the reasons assigned, it is not desirable to appoint messrs. M/s A.T. Acharya & Co. as agents for Sale of Soaps in the Bombay Presidency.
25	Subt. with refce to the Dep. Secy's remarks in para 21. 24.4.31 The Director is definitely against Considering Messrs Acharya's application which emanated from the Bombay agency.

In view of his opinion it is probable, the proposals contained in my note of 25.3.31 above are for orders.

Mtr
24.4.31

Dep Secy

1st Memo

RG
25/4/31

Mtr
25/4/31

NOTE.—Contn. Sheet

Please ring early
Bombay asks
are stocks as
agency q.s. is unsettled

The Dir recommendations
in his letter of 17.3.31
The Sanction—

Mtr 27.4.31

7

General and Revenue Secretariat

File No. 223 of 1930.

30 TO G treaties arrangement please

RG
25/4/31

MCM 26/4/31

Sub P. with a ~~draft~~ typed draft

Initialled 29.4.31.

For approval

MCM 29/4/31

Dewan

RG 30/4/31

For perusal before issue

RG
30/4/31 MCM 30/4/31

Dewan.

MM
29-4-31
30

JSBY
RG
1/5/31

MCM 1/5/31

In the file of Dr
D. 1008 of Dr 5/4.3).
Sanctions the Dr's. proposals
in Pl. 8

DEWAN'S OFFICE
6150
30 APR 1931

GEN. & REV. SECRETARIAT.
13 MAY 1931
DEVELOPMENT BRANCH.

13.5.31

Appendix F G—1

SUBJECT.....

.....

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Section 9re

File No. 223-30

Serial No. 1

No. 7340

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *193* .

To

The Dir. of Ak.

Date of issue 16.1.31

Sir

Signed by Mr Inspector.

I am directed to invite attention to this office letter no. D.1494 2 Rc 429-29-6-8 4th Aug. 1930 permitting you to terminate the agency of messrs. Ramjanally Ebrahim & Co (which expires by the 20th of this month) after giving them three months notice, and to request you kindly to expedite your proposals for the appointment of new Agents for the Sale of Soaps in the Bombay presidency.

R—

List of enclosures.....

Copied by.....

Examined by.....

Yours faithfully

13.1.31

for Director

WD 02559—GPB—25,000—25-6-30

for Director

TELEGRAPHIC ADDRESS:—"INDUSCOM."

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No. D2.-682/27-28
Encl,

OFFICE OF THE DIRECTOR,

Dated, Bangalore, 11th February *1931*

FROM

C. RANGANATHA RAO SAHIB, Esq., B.A., B.L.,
Director of Industries and Commerce in Mysore,
(Bangalore, India.)

To

B. Narayanasamiengar, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Development Departments,
Bangalore.

SIR,

With reference to your letter No.D.7340/I&C.223-30-1 dated 16-1-1931 calling for my proposals for the appointment of new Agents for the sale of soaps in the Bombay Presidency, I have the honour to state that the Industrial Chemist has been deputed to go to Bombay and other places in Northern India (Vide my letter of even No. dated 9-2-1931). Final proposals in the matter will be submitted on receipt of his report after his return. Till then, the present arrangements will continue.

I have the honour to be,
Sir,
Your most obedient servant,

DIRECTOR.

BV3.

Appendix F.G—1

SUBJECT.....

.....

.....

Section Dr.

File No. 223-30

Diary No. of letter replied to.....

Serial No. 1

No. 28753

General and Revenue Secretariat

( )

the *193*

To

.....

Date of issue.....7.3.31.....

Dear Sir

Now that the Agricultural chemist has returned from his tour, I am desired to request you to be good enough to expedite your proposals regarding the agency for the sale of soaps in the Bombay Presidency.

Signed by.....Mr Ms R Rao.....

List of enclosures.....

Copied by.....

Examined by.....

Mr. 7.3.31

I to the Dist. J. Dr.

[over

WD 02559—GPB—25,000—25-6-30

8296

Fic 223-30-5

0/4

INDIAN POSTS AND TELEGRAPHS DEPARTMENT

PRESS TELEGRAM.

DEWAN'S OFFICE 19 FEB 1931

OFFICE OF THE FIRST MEMBER OF COUNCIL 19 FEB 1931 No. M.8[illegible]

Q Q(16/-). BOMBAY...18. 211.

Dewan Saheb Sir M. Visvesvaraya Bangalore

MR SASTRY HAD DISCUSSIONS WITH US REGARDING RENEWAL OF SOAP AGENCY BUT NOTHING SETTLED YET AND LEFT IN THE LURCH REGARDING OUR RECO BRAND SOAPS MR SASTRY SEEMS TO HAVE SOME MISUNDERSTANDING WE BEG TO EXPLAIN STRAIGHT AWAY WE OWN NO SOAP FACTORY OF OUR OWN STOP WE GOT RECO SOAPS MADE FROM OTHER FACTORIES ONLY BECAUSE YOUR SOAP FACTORY COULD NOT AND DID NOT SUPPLY US THAT GRADE INSPITE OF OUR REPEATED ORDERS AND REQUESTS STOP WHEN SUDDEN DEMAND AROSE FOR CERTAIN GRADES OF SOAP AT A PARTICULAR RATE WE COULD NOT NEGLECT OUR OLD CUSTOMERS WHO PATRONISED US THROUGHOUT IF MYSORE SOAP FACTORY IS EVEN NOW WILLING TO MAKE RECO GRADE SOAPS WHICH ARE QUITE DIFFERENT FROM MYSORE AT SUITABLE RATES WE CAN GET SAME MADE FROM YOU STOP PLEASE DO NOT MISUNDERSTAND OUR ACTION OR GET [redacted]-PREJUDICED STOP KINDLY CONSIDER PATIENTLY OUR WORK IN PROPER LIGHT WE HAVE ALL ALONG WORKED FOR BEST INTEREST FOR MYSORE FACTORY BUT WE MUST ALWAYS MAINTAIN AND SATISIFY OUR DEAR CUSTOMERS STOP AS OUR AGENCY TERMINATES END OF FEBRURARY EFFICIENT BUSINESS NEEDS SPEEDY SETTLEMENT STOP IF MY PRESENCE CAN FACILITATE EARLY DECISION I MAY COME BANGALORE PLEASE INFORM CONVENIENT DATE

Please Send to Dir of I & C

RAMJANALLY. BIBLOCK.

Dr Secy with compliments

Yours [illegible] 19[illegible]

I mentioned to Dr. Comptn

19/2/31

Kalyan Bose Brown Printers, Calcutta—388 (B-125) 6-8-30—15,00,000

O Q(18\-). BOMBAY...18. 211.

MR SASTRY HAD DISCUSSIONS WITH US REGARDING RENEWAL OF SOAP AGENCY BUT NOTHING SETTLED YET AND LEFT IN THE LURCH REGARDING OUR RECO BRAND SOAPS MR SASTRY SEEMS TO HAVE SOME MISUNDERSTANDING WE BEG TO EXPLAIN STRAIGHT AWAY WE OWN NO SOAP FACTORY OF OUR OWN STOP WE GOT RECO SOAPS MADE FROM OTHER FACTORIES ONLY BECAUSE YOUR SOAP FACTORY COULD NOT AND DID NOT SUPPLY US THAT GRADE INSPITE OF OUR REPEATED ORDERS AND REQUESTS STOP WHEN SUDDEN DEMAND AROSE FOR CERTAIN GRADES OF SOAP AT A PARTICULAR RATE WE COULD NOT NEGLECT OUR OLD CUSTOMERS WHO PATRONISED US THROUGHOUT IF MYSORE SOAP FACTORY IS EVEN NOW WILLING TO MAKE RECO GRADE SOAPS WHICH ARE QUITE DIFFERENT FROM MYSORE AT SUITABLE RATES WE CAN GET SAME MADE FROM YOU STOP PLEASE DO NOT MISUNDERSTAND OUR ACTION OR GET PREJUDICED STOP KINDLY CONSIDER PATIENTLY OUR WORK IN PROPER LIGHT WE HAVE ALL ALONG WORKED FOR BEST INTEREST FOR MYSORE FACTORY BUT WE MUST ALWAYS MAINTAIN AND SATISFY OUR DEAR CUSTOMERS STOP AS OUR AGENCY TERMINATES END OF FEBRUARY EFFICIENT BUSINESS NEEDS SPEEDY SETTLEMENT STOP IF MY PRESENCE CAN FACILITATE EARLY DECISION I MAY COMEBANGALORE PLEASE INFORM CONVENIENT DATE

RAMJANALLY. BLOCK.

Appendix F G—I.

SUBJECT.....

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Section 27c

File No. 223-30.

Serial No. 6.

No. 28491/Genl & Telgram

Diary No. of letter replied to.....

General and Revenue Secretariat

( )

the *193* .

To

The Dist. of Surat

Date of issue 19.2.31

Signed by Mr. Chr.

Sir

I am directed to forward herewith a X Telegram rec'd. from Ramjanally Ebrahim & Co. requesting that they might be continued as agents for the Sub-J. Surat in the Bombay Presidency & to request you to expedite your proposals for the appointment of agents regarding the agency in the Presidency

X Note kindly returned with report.

List of enclosures.....

Copied by.....

Examined by.....

The Dist.

Mr. 19/2

Dept.

[over

WD02559—GPB—25,000—25-6-30

D. 6380 D/28.2.31

TELEGRAPHIC ADDRESS:—"INDUSCOM."

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No. D2-682/27-28
Encl, one.

OFFICE OF THE DIRECTOR,

Dated, Bangalore 23rd February *1931*.

FROM

C. RANGANATHA RAO SAHIB, Esq., B.A., B.L.,
Director of Industries and Commerce in Mysore,
(Bangalore, India.)

To

Dr. 223-30-7

B. Narainsamiengar, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Development Departments, Bangalore.

SIR,

Continuance of the Bombay Sales Agency for Soaps.

With reference to your letter No. D.8491/I&C 223-30-6 dated 19-2-31 forwarding the telegram dated 18-2-30 addressed to the Dewan by Messrs. Ramjanally Ebrahim & Co., Bombay and requesting to expedite my proposals regarding the Agency in the Bombay Presidency, I have the honor to state that a telegram of even date to the same effect was also received by me from the Agents and a reply telegram has been sent to them on 19-2-31 that the matter would be decided after Mr. Sastry's return to Bangalore. I beg to state that Mr. Sastry has been deputed to Bombay for this very purpose and I shall submit my proposals soon after his return to ~~Bombay~~ Bangalore.

The telegram is returned herewith.

I have the honour to be,
Sir,
Your most obedient servant,

C Ranganatha Rao Sahib

DIRECTOR.

KS)

TELEGRAPHIC ADDRESS:—"INDUSCOM."

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No. D2-682/27-28
Encl. 2

OFFICE OF THE DIRECTOR,

Dated, Bangalore, 17th March *1931.*

FROM

C. RANGANATHA RAO SAHIB, Esq., B.A., B.L.,
Director of Industries and Commerce in Mysore,
(Bangalore, India.)

To

N. Rama Rao, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Development Departments, Bangalore.

SIR,

In continuation of my letter of even no. dated the 24th Feby. 1931 I have the honor to forward herewith copy of a detailed report submitted by the Industrial Chemist after his return from Bombay in regard to the appointment of Agents for (1) Bombay Presidency, (2) United Provinces of Agra & Oudh, (3) the Nizam's Dominions.

Messrs. Ramjanally Ebrahim & Co., of Bombay, our agents in Bombay, were hitherto handling all the business coming from the United Provinces of Agra & Oudh as well as Hyderabad. It is now proposed to remove the territories of the United Provinces and the Nizam's Dominions from the jurisdiction of the agents in Bombay. These areas are far away from the headquarters of the agents in Bombay and the business in these areas has now sufficiently developed to require the appointment of local agents having local influence.

The Industrial Chemist recommends that the agency for the sale of soaps in the Bombay Presidency may be continued in the name of Messrs. Ramjanally Ebrahim & Co. At the request of this officer, I had written to Government in my letter of even number dated the 23rd July 1930 that as the senior partner of this firm had ceased to take active part in the business and their transactions with sub-agents were not satisfactory a notice of termination may be given to them. Government approved of my proposal and authorised that a notice of termination of the agency may be given to this firm three

three months before the termination of their agency period. This agency period terminated on the 28th Feby. 1931.

The Industrial Chemist now recommends that the agency may be continued in the name of this firm on the ground that he is satisfied ~~with~~ that the interests of the Soap Factory require at this juncture the assistance of a firm who have experience in the handling of our products. The Industrial Chemist also ~~recommends~~ states that Messrs. Ramjanally Ebrahim & Co. are getting two brands of soaps prepared through a Bombay soap company, one called 'Reco Washing Soap' and the other 'Reco Turkish Bath Soap'. He states that the manufacture of soaps of this company would not seriously affect the Government Soap Factory as the Government Soap Factory would be unable to supply to the Bombay Presidency more soaps than it has contracted to sell. He has added that the Company informed him that they would not have any further varieties of 'Reco' brand soaps prepared and marketed.

I beg to state that I am not satisfied with the report of the Industrial Chemist. I do not think the argument that the Company has agreed to market all the soaps we may be able to send to Bombay and th therefore their interest in rival manufactures would not affect the interest of the Government Soap Factory is of much weight. I think, however, that as the Industrial Chemist, after a personal visit to Bombay, strongly recommends the continuance of the agency of this firm and the selection of another suitable firm would require personal investigation, the agency may be continued subject to the following conditions:-

a)

(1) The territories of the United Provinces and Hyderabad should be removed from the jurisdiction of the Bombay agency.

(2) The Bombay agents should undertake in writing not to manufacture any other brands of soaps, besides 'Reco Washing Soap' and 'Reco Turkish Bath Soap'. The agency would be liable to be terminated without notice if this condition was violated.

(3) If, at any future date, it should appear to Government that the interest of the agents in the soaps referred to in clause (2) are prejudicially affecting the sales in the Bombay Presidency of the pro-

products of the Government Soap Factory, the agency is liable to be terminated.

In his report on this subject, the Industrial Chemist states that the terms proposed by him are cheaper by about 2% than the terms in force at present. I enclose copy of his letter dated 10th March 1931 explaining the present terms and those proposed for the future. The only difference would appear to be that the rebate now given on sales of toilet soaps is included in the commission which is recommended to be 17% for sales below Rs.1,25,000 and 18% for sales below one lakh and a half. I recommend that the rate of commission proposed by the Industrial Chemist may be sanctioned.

The other terms do not call for much comment and may be approved.

In his recommendation for the appointment of agents in the United Provinces as well as the Central Provinces, the Industrial Chemist gives the names of 4 firms. I am inclined to recommend that the agency may be given on the terms proposed by the Industrial Chemist for a period of one year to Messrs. Mohanlala Moolchandu, Cawnpore. This firm are reported to have agents in every important city and are anxious to do business. The terms that may be offered to this firm are as follows:-

(1) Free delivery in all railway stations.
(2) Commission : ten per cent.
(3) Extra 5% for advertisements and dealers' discounts.
(4) Territory: United Provinces, Bundelkhand, Baghelkhand and Central Provinces (including Berars).
(5) 90 days time for payment or 1½% cash discount.
(6) Period of agency: One year, subject to renewal, if work is satisfactory for another two years.

In his report regarding the Hyderabad agency the Industrial Chemist gives the names of 5 applicants. I am inclined to recommend that the agency may be given to Messrs. Habib Aziz & Co., on the terms proposed by the Industrial Chemist which are as follows:-

(1) Territory: Nizam's Dominions.
(2) Free delivery of our soaps in all railway stations.
(3) Remuneration: 10% plus 2½% or 12½%, the agent himself to be responsible for all advertisement, travelling and other sales expenses.

(4) Period of agency: One year.
(5) Payment: 45 days for payment.

Note - There is an import duty of 5% on all soaps entering Hyderabad territory and the factory should pay the import duty.

I request early orders of Government on this proposal.

I shall submit a separate report to Government regarding the Karachi agents.

I have the honour to be,
Sir,
Your most obedient servant,

C Ranganadham Raju

DIRECTOR.

CRS-KS)

~VERNMENT SOAP FACTORY, BANGALORE.

10th March 1931.

Immediate.

The Director of Industries &
Commerce in Mysore, Bangalore.

Sir,

I have the honour to report as follows:-

Present terms of Messrs. Ranjanally Ebrahim & Co.-

Commission - 10%
Rebate for trade discounts - 2½%
Rebate for advertisements - 1½%
Rebate on toilet soaps - Rs.6/- per case (Value Rs.84/-). This works out at 7.1%.

The above will come to 21.1%. To this we must add the expenditure we are incurring out of special advertisement grants. This may be put down approximately at 3%. Therefore the total expenditure in that territory comes to a little more than 24%.

Note:- In the case of washing soaps we give free delivery in all railway stations and as against this they get only a commission of 8%. The sale of washing soaps is negligible.

In the new terms offered to them, if the guarantee is for a sale of Rs.1,25,000/- they will get 17% plus free

delivery which will be equivalent to about 18½%. If the guarantee is Rs.1,50,000/- they will get 18% plus free delivery which will work out at 19½%. If, to this, we add 3% out of special advertisement grants, the total expenditure would work out between 21¼ and 22¼ per cent. When they get 17% commission they must spend not less than 3½% for advertisements and when they get 18% they must spend not less than 4% on advertisements. This is a further advantage. We also save another ¼% in the system of payment now to be introduced. At present they are receiving 2% cash discount. This will be reduced to 1¾% cash discount or in the alternative they will be given 90 days time for payment.

I have the honour to be,
Sir,
Your most obedient servant,

Industrial Chemist &
Chemical Engineer.

SG:VS.

GOVERNMENT SOAP FACTORY, BANGALORE.

9th March, 1931.

IMMEDIATE.

To:
The Director of Industries & Commerce, in Mysore,
BANGALORE.

Sir,

Report about my deputation to Bombay
and some other places in Northern India.

I have the honour to report as follows:-

1) The object of the deputation was mainly concerned with the termination of the agency of Messrs. Ramjanally Ebrahim & Co on 28-2-31, and also it was with an idea of finding out the conditions for marketing our soaps in U.P., C.P. and in the state of Hyderabad. Further to find out the competition we are meeting and are likely to meet in future.

2) Messrs. Ramjanally Ebrahim & Co. had been employed as our agents for Bombay Presidency (excluding Sind) Rajputana, United Provinces of Agra and Oudh, Central Provinces, Nizam's Dominions and also all the Indian Stateswithin these territories.

3) The agency of Messrs. Ramjanally Ebrahim & Co, according to the agreement, would terminate on 28-2-31, and the agents had been given

three months' notice about it.

4) After due consideration of the needs of the factory the Director had decided that the territory alloted to Ramjanally Ebrahim & Co. was too large and whatever might have been the original considerations, the Director thought that the said territory should be apparated as follows:-

(a) One agency for Bombay Presidency, (excluding Sind) Rajaputana and all Indian States in the geographical area.

(b) One agency for United Provinces of Agra and Oudh, Central Provinces (including Berars) and all Indian States in Bundel-khand.

(c) One agency for the Nizam's Dominions.

5) So far as Bombay was concerned, on account of some past differences, the idea was to get entirely new agents. But the past agents were told that they might apply for a continuation of their agency.

6) Regarding the problematical continuation of the present Bombay agents or getting new agents, it had been ordered by the Director that no notification should be published in the newspapers; nor was I authorised even to print notices, to be distributed amongst likely firms. But I had been authorised to approach any good firm of standing to find out if they could take up our agency and further I had been instructed to consult the Director of Industries, Bombay and get from him the names and addresses of firms likely to take up our agency to our mutual satisfaction.

7) In the case of new firms, I had been asked to make proper enquiries about their status and financial stability. In order to help me to do this I had secured letters of general introduction to all Bankers in India from the Comptroller to Government of Mysore and also, a special letter to the

Secretary, Imperial Bank of India, at Bombay. I made use of these letters of credit on three occasions.

8) I had also been ordered, if possible, to visit the vegetable ghee products manufacturing company, through the influence of Messrs. Duncan Stratton & Co.

9) I had been instructed that I might discuss all the details of terms of agency for whatever area, but not commit myself, or the Department of Industries & Commerce or the Government of Mysore.

10) I had been instructed that I should keep the Director of Industries and Commerce in telegraphic communication in all important matters, and obtain his orders.

11) I had also been instructed to study the general conditions prevailing in the markets regarding the prospects of sale of Indian soaps generally and Mysore soaps specially. I was also asked to find out if by modifying our work we could ensure a better market for our soaps. I was also asked to find out if with our present equipment, we could market other brands of soaps, giving us more profit or securing our position in Indian markets in future.

12) I was also ordered to find out what all our competitors are doing in the way of advertisement, in the way of cutting into our business and in the way of carrying on an open or secret campaign against us. Further I was asked to find out why in certain lines our competitors were more successful than ourselves.

13) I enclose herewith the following special reports:-

I. Bombay Agency.

II. Karachi Agency.

III. U.P. and C.P. Agency.

IV. Hyderabad Agency.

V. General.

14) Period of my deputation. I left Bangalore on 9th February and returned to Bangalore on the night of 1st March. The total number of days will be 21 days. In one of your telegrams to me to Bombay you had informed me that Government had sanctioned the deputation only for a fortnight. I then and there represented that it was impossible to finish my work in that time. I rushed through the work and returned to Bangalore at the earliest possible moment. I request your kind sanction for the extended period.

I have the honour to be,
Sir,
Your most obedient servant,

Industrial Chemist
& Chemical Engineer.

MM.

GOVERNMENT SOAP FACTORY, BANGALORE.

I. BOMBAY AGENCY.

In my special reports to the Director from Bombay I have already explained the circumstances which necessitated my recommending Messrs. Ramjanally Ebrahim & Co. for a renewal of their agency in a more restricted area.

In view of the peculiar conditions prevailing in Bombay and also in the absence of any publicity given to merchants that the agency was open for the consideration of the Government, it was exceedingly difficult to select any firm or firms for handling our agency. I had been asked that I should consult the Director of Industries at Bombay. He gave me a few addresses and I discovered that a good many of them were merchants like Messrs. Ramjanally Ebrahim & Co. and I did not see any special advantage in handing over the agency to a new firm who knew nothing about Mysore soap business, in preference to an old firm who have done fairly good business in the past for us. I also interviewed representatives of three firms recommended by Mr. Advani (Bombay Director) and all these three represented firms of respectability butnone of them knew anything about soap business. One peculiarity common to all three of them was they were all Sindhi merchants with their offices

at Karachi and also at Bombay. They were all engaged in export and import business, having a fair amount of experience in the sea-borne trade. They did not strike me as having had much experience in our line of goods. Hence I did not want to discuss detailed terms with them, because, whether we conferred the agency on a party or not we shall be divulging our commercial secrets to another firm.

The following terms have been offered to Messrs. Ramjonally Ebrahim & Co. after very lengthy discussions with them. They have already been communicated to you in a telegram and also in a subsequent letter. The really important main features are as follows:-

(a) Period of the agency: three years.

(b) Territory: Bombay Presidency excluding Sind. Also Rajaputana and all the Indian States within the jurisdiction of Bombay Government.

(c) Guarantee of sales:

1) First year's sales value - Rs.1,25,000/-.

2) Second " " " - Rs.1,50,000/-.

3) Third year's sales to be fixed up by mutual consultation at the end of the second year having regard to the first two years' sales. The third year's guarantee may be more or may be less than Rs.1,50,000/-.

(d) Remuneration: If the sales do not fall below Rs.1,25,000/- the agents will be given 17½ on the sale

value of soaps, out of which they guarantee to spend not less than 3½% for advertisements. If the sale value does not fall below Rs.1,50,000/- the agents will be paid a remuneration of 18% on sale value, out of which they guarantee to spend not less than 4% of the sale value for advertisements.

Note: Even though the guarantee for the first year is Rs.1,25,000/-, if the agents bring up the sales to ~~Rs.1,50,000/-~~ Rs.1,50,000/-, they will automatically get the higher rate of commission, viz. 18%. This gives a little more flexibility to the arrangement and a greater inducement to conduct more business.

(e) Delivery: Soaps and other products manufactured at the Government Soap Factory will be delivered free on rails at all railwaystations.

(f) Payment: The agents will be given 90 days time for payment of bills drawn on them through one of the recognized banks. In the alternative, they will be paid a cash discount of 1½% if they agree to pay cash against our bills.

(g) Notice: Three months' notice will have to be given on either side if the agency is to be terminated. irrespective of the period giving notice, the sales during the period of notice would be proportionate to the yearly guarantee.

(h) Enforcement of the guarantee: If, at the end of a year, it is discovered that the agents have not indented for the minimum quantity of soaps covered by the guarantee, the factory will forward goods to the agents falling short of the guarantee and the agents shall pay for them.

(i) Differences arising between the Factory and the agents shall be subject to the decision of the Government of Mysore which will be final and binding on both the parties.

I beg to submit that these terms work out about 2½ cheaper on the whole than what we are now spending in the Bombay area. We retain in any case the liberty to advertise, out of special advertisement grants, in Bombay territory and taking even this expenditure into consideration the present terms work out two per cent cheaper than what is obtaining now. We shall have to give to the agents fullest amount of liberty to handle their customers just as they please so long as they are guaranteeing minimum sales. This means we can work more harmoniously and avoid unpleasant correspondence. I have come to the conclusion that undue restrictions placed on the liberty of action of the agents is going to act as a great hindrance for the furtherance of sales of our soaps. Our rivals are allowing a tremendous amount of liberty to their agents in these

matters and gaining a stronger foothold in the markets.

One very important point that had to be discussed with the agents was their marketing soaps specially prepared for them under the name 'Reco' brand soaps. I am at present convinced that Messrs. Ranjanally Ebrahim & Co do not possess a factory of their own nor otherwise manufacture soaps themselves. They are however getting soaps prepared for them by the Bombay Soap Company, two brands of soaps - (1) Reco Washing Soap, (2) Reco Turkish Bath Soap. It is the intention of this firm to continue to expand this line of Reco products in case our agency is not renewed. In the event of their being continued as our agents, they have informed me that they will not have any further Vanishes of Reco brand soaps prepared and marketed. I wish to submit to you that according to the present output of our factory, even granting that we shall expand the factory further in the near future, we shall not be in a position to supply more than about Rs.1,50,000/- worth of soaps for the Bombay markets during the next 12 to 15 months. We cannot get away from this. When the agents give a guarantee that they are prepared to sell all that we are prepared to market, it stands to reason that we cannot prevent them from selling other products, whether Reco or other brands.

I wish to submit that I complained against the methods adopted by this company after my visit to Bombay in the year 1930. I had no choice except to bring certain matters to the notice of the Government because the conditions in the agreement relating to certain concessions left me no choice. I was also not very anxious that this firm should continue to work for us. Therefore, it should be all the more surprising to you that I should now be recommending the renewal of the agency of this firm. I am doing this because I am personally satisfied that the interests of the Government Soap Factory require at this juncture the assistance of a firm who have had experience of handling our products already. It is inadvisable to change the agency of any firm who, even though they have given cause to us for complaint, have otherwise done good work for us. We shall have to forget and forgive and if we should renew their agency, so modify the terms as will not necessitate acrimonious correspondence while at the same time giving a certain amount of liberty of action to the agents. The terms I have proposed are meant to achieve this. I had a long consultation about this matter with the Director of Industries, Bombay, and he very seriously warned me against changing the agents at this present juncture.

Another event of great importance has come to pass

and on account of it also I personally think it will be in our interests to continue Messrs. Ramjanally Ebrahim & Co. as our agents. This event refers to the announcement that Boycott of foreign goods generally and of British goods specially will not be pursued as an active policy by the Indian National Congress. Therefore, whether we like it or not we should prepare ourselves against a big influx of foreign soaps once again in the market and meet their competition. We shall not be having the indirect and none-the less active propaganda of thousands of Congress workers openly and continuously promoting swadeshi enterprises. Therefore, at this juncture, I would like to have the assistance of Messrs. Ramjanally Ebrahim & Co., who are very experienced people in this line. During the last 6 or 8 months they have given up dealing in 30% of foreign goods, specially soaps, and their intention, at all events at the present time, is to give their undivided attention to push on swadeshi soaps. I do not like the idea of their even considering the possibility of once more reverting to dealing in foreign goods actively by our decision to cancel their agency. If in the first instance people begin to use swadeshi goods manufactured by others, my factory stands to derive great advantages from it. This looks like a paradox. What I mean is that once people begin to use only swadeshi goods, they will be bound to recognize the

quality of our products one day or other and hence my factory stands to gain by it.

I have submitted to you in great detail my own views on this subject and I request you to kindly settle this question of Bombay agency at the earliest possible moment. There are a number of small points which remain to be fixed up and these can be easily attended to if we can invite Mr. Ramjanally to pay a visit to us at Bangalore.

Bangalore,
6th March 1931.

Industrial Chemist &
Chemical Engineer.

DGI:VRR.

GOVERNMENT SOAP FACTORY, BANGALORE.

II. KARACHI AGENCY.

After obtaining the orders of the Director at Bombay I sent a telegram to Messrs. H.B. Advani & Bros. our one-time agents, if they would be willing to handle our business once again. On their agreeing to do so I offered them certain terms in a telegram which runs as follows.-

> "Our best terms following stop Sind and Baluchistan three years agency stop You must guarantee first year seven half second year fifteen third year twenty five thousand rupees worth of sales stop Price basis sandal soap three rupees eight annas per dozen f o r Karachi stop Payment Ninety days bills through bank stop Your commission ten per cent plus five for advertisement etc. total fifteen per cent stop wire acceptance immediately care chariron stop proposals subject to Director and also Governments approval and sanction stop Other minor terms by correspondence"

They sent a reply which runs as follows:-

> "Your telegram include Punjab cant guarantee have every hope bringing sales your figures consignment basis payment tenth every month accepting other terms"

I have again written to them on 6th March 1931 informing them that the terms I originally offered to them are really more advantageous to both parties and hence should be accepted without modification. A copy of my letter on this subject is appended to herewith. I am expecting their reply.

Bangalore,
7th March 1931.

Industrial Chemist &
Chemical Engineer.

SGS:VRR.

III. U.P. AND C.P. AGENCY.

During my tour I was able to visit only three towns of any importance pertaining to this territory; viz. Cawnpore, Jhansi, and Nagpur. The majority of the shops in all these three places who stock soaps and similar articles were stocking our sandal soap.

AT CAWNPORE: The Director of Industries of U.P. whom I had been asked to consult was away from Cawnpore and hence I could not consult him. The following four firms were approached by me and provisional terms were discussed with every one of them.

1. The Cawnpore Dyeing & Cloth Printing Company Ltd.,
   P.O. Box No.73, Cawnpore.

2. Messrs. Mohanlala Moolchandu,
   Sugar Agents,
   "Rose Villa", Sarsuya Ghat Rd.,
   Cawnpore.

3. Messrs. Sarju Prasad Kali Prasad Nigam,
   General Merchants, Meston Road,
   Cawnpore.

4. Messrs. Sant Lall Ratan Lall,
   Merchants, Contractors &
   Order Suppliers,
   Meston Road, Cawnpore.

The terms offered to them were practically identical with those given to Messrs. B.L. Marang & Co. for the Punjab agency. They are in the main as follows:-

1) Guarantee of minimum sales: Nobody is prepared to give a guarantee of sales.

2) Security deposit: Nobody is prepared to do this but they referred me to make enquiries at the banks. Firms No.(1) and (2) were declared by the bank as of first class standing, the firms Nos.(3) and (4) as of second class standing. The bankers said that firms Nos. (1) and (2) may be given O/A terms and Nos.(3) and (4) D/P terms.

3) Other conditions:-

(a) Free delivery in all railway stations.

(b) Commission: ten per cent.

(c) Extra 5% for advertisements and dealers' discounts.

(d) Territory: United Provinces, Bundelkhand, Baghelkhand, and Central Provinces (including Berars).

(e) 90 days time for payment or 1½% cash discount.

(f) Period of agency: One year subject to renewal if work is satisfactory for another two years.

JHANSI: There is nobody important enough at this place to handle our agency, even though consistent with its size more shops stocked Mysore sandal soaps than at Cawnpore. I visited this town as it happened to be en route to Hyderabad.

NAGPUR: There were only about half a dozen shops of any importance that stock toilet articles. Four of the werestocking our soap and the remaining two said their clients did not require costly soaps. None of the four firms wanted to have any agency for our soaps. One of them, after a great deal of persuasion, has been asked to act as a sub agent for Kerala soaps and he seems to have started work only recently.

If the agency is to be given to anybody at all for these territories, we will have to consider the claims of Messrs. The Cawnpore Dyeing & Cloth Printing Co., Ltd. (this firm had actually applied for our agency) and Messrs. Mohanlala Moolchandu.

(a) The Cawnpore Dyeing & Cloth Printing Co., Ltd: The main business of this firm is dyeing and bleaching. The firm has got good influence and excellent bank references. The Managing Director is one Mr. Srivastava, the brother of Mr. J.P. Srivastava, a Member of Council of the U.P. Government. They handle several agencies in the textile line. They have no branches and have no travelling representatives. They said they will do their best, but are not prepared to give any guarantee. Other terms are generally acceptable to them.

(b) Messrs. Mohanlala Moolchandu: This business is conducted by Mr. Mohanlala, a young gentleman of about 35.

The business has been handled by this family for over 50 years and their main line is sugar. They hold all-India agencies for many sugar factories in Cawnpore and also outside. They are not prepared to give any guarantee of sales nor give any security deposit. Banking references were excellent. In fact, this firm seems to handle quite a big volume of business. They have agents in practically every important city or town in the whole of India for sugar business. They informed me that they would write to all their constituents to interest themselves in Mysore soaps and push them along in the markets. If necessary, they are prepared to appoint a canvasser or two to tour important places in U.P. If this is to be done, they would require some extra help to defray the expenses of this touring representative. The gentleman who interviewed me seems to be very enthusiastic. I also enclose herewith a copy of letter received from Messrs. Mohanlala Moolchandu (the correct name of this firm is Messrs. Mool Chand Mohan Lal) for your information. You will see from the letter-head that they have branches in ten different places.

(c) Messrs. Sant Lall Ratan Lall: This is a Marvadi firm dealing in all sorts of miscellaneous articles, something like Messrs. D. Syed Osman & Co., Bangalore City. He is prepared to take up the agency for U.P. and is not very keen in having C.P. and Bundelkhand included in his sphere. One of the partners will be travelling constantly

all over U.P. and he would try to canvass for our business. No guarantee could be given and no security deposit either. If special advertising agents are to be sent out, they require extra assistance during the first year. They have been dealing with Mysore soaps for over 3 or 4 years. The sales in their shop amount to anywhere between Rs.500/- to Rs.750/- a year. The bank classes this firm in the second class.

(d) Messrs. Sarju Prasad Kali Prasad Nigam: All the remarks made about Messrs. Sant Lall Ratan Lall apply to this firm also. This firm have got the local agency for Godrej soaps. They have also been offered the agency for soaps manufactured by the Calcutta Soap Works, Calcutta, and they have informed us that they will wait for our reply till March 10th. I have written to them on 6th March 1931 to say that we shall take another 8 or 10 days to come to a decision.

There are two ways of settling the question of sales in these territories.

(1) Give the agency to one of the firms mentioned above. Sales may not amount to much in the first year. As a matter of fact, it may not go beyond Rs.5,000/-. We shall have to look forward to results during the second and third years of the agency. During the first year of the agency in addition

to the terms we have offered, and which are likely to be accepted by the other party, we should be prepared to spend at least Rs.100/- a month for one year to carry on special propaganda. We had adopted this policy when we started our work in Bombay and when we started our work in Calcutta. This policy has yielded results.

(2) The other way of managing this will be to conduct direct sales. This requires the sending out of a representative from the Soap Factory at least once a quarter to tour all the important places in this territory. All the merchants in this area will be given identical terms, say, free delivery plus 5% for themselves. In addition to the expenses of travelling we shall have to spend at least Rs.150/- a month for advertisement. After preparing the ground for one year we may select a really good firm for conferring the agency. If the merchants are accustomed to receive our representative frequently and also begin to see our advertisements in the press and in other directions, they will naturally get interested in our products and are likely to themselves apply for the agency. The total expenditure for conducting direct sales for this territory for one year may be put down at Rs.3,600/-, the result being a sale of at least Rs.10000/-. This higher figure of sales is mentioned because, when we are making our own direct arrangements there is a guarantee that all the important

places will be visited by our representative at least four times in the year, which same guarantee can never be expected of any agent whom we are going to employ during the first year of the agency.

I request you to kindly inform me as to the procedure to be adopted in this connection.

NOTE:- There are several towns in U.P. where they have an extra duty on soap. Every one of the merchants informed me that if we should hope to establish our soaps in all these markets, one of the most effective methods will be for the factory to pay the extra duty. On account of the special conditions prevailing there I have informed them that this aspect will be considered by me. I am in favour of paying this extra duty also even though it is going to reduce our profits a little. But this cannot be helped. I understand foreign soap manufacturers allow this concession to dealers.

Bangalore,)
7th March 1931.)

Industrial Chemist &
Chemical Engineer.

SCS:VRS.

"C O P Y"

GOVERNMENT SOAP FACTORY, BANGALORE.

MOOL CHAND MOHAN LAL.

The Pioneer Sugar Agency

BRANCHES & ORGANISATION:

Shikarpur Sindh		Amritsar (Punjab)
Delhi Shahdara		Ajmer (Rajputana)
Aligarh		Amballa
Shahjahanpur		Gonda
Gwalior		Katni.

Head Office:

Rose Villa
Civil Lines,
Cawnpore.

C A W N P O R E, 3rd March, 1931.

To
The Industrial Chemist,
The Govt. Soap Factory,
Bangalore.

Dear Sir,

Re sole agency of your firm for U.P.
Berar and C.P. Provinces.

With reference to our verbal conversation with you, we beg to thank you very much for your having very kindly offered us your sole selling agency for above provinces, which we hereby gratefully accept, with a request you will kindly favour us with your terms of agreement, and other necessary particulars. We shall request you to please add Delhi Market to above area, as this market stands directly under our organisation, and your doing this is likely to result to our mutual benefit.

As for honesty of our dealings, and efficiency in our working, we consider it needless to write you anything here; but would leave the same to your kind enquiry. However we might assure you that on force of our organisation existing throughout India, we hope to secure good business for you and that you will have no cause for complaint hereafter.

GOVERNMENT SOAP FACTORY, BANGALORE.

We shall be obliged if you will kindly send us large samples of your grades of soaps sufficient enough to enable us to distribute the same to our different sub-agencies. You are also requested to kindly send the necessary literature, advertisement and etc.

Favour of an early reply is requested.

Yours faithfully,

SD/- MoolChand Mohan Lal.

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MM.

IV. HYDERABAD AGENCY.

I discussed the terms of the agency for Nisam's Dominions with five firms and the terms offered were slightly different in each case.

1) Messrs. Habib Aziz & Co: This firm had applied for the agency for our soaps about six months ago. Later when I consulted Mr. Syed Ismail of The Kaiser-i-Hind Woollen, Cotton & Silk Mills, Bangalore, he had recommended the name of this firm. Still later, this firm had applied to the Director of Industries and Commerce for the agency and I had been instructed by the Director to consult Mr. B.... Collins (Director General of Industries, Hyderabad) about the standing and respectability of this firm (vide your office letter No.D.2-536/29-30 dated 13-2-31).

I met Mr. Mohomad Rahimuddin, who is the Manager of this firm on Friday the 27th February. At the very outset he informed me that his firm had been placed in a very embarrassing situation, because it seems Mr. Collins had already been had already been written to from Bangalore and one or two officers of the Hyderabad Department of Industries had called on him in this connection. Even though he was not prepared to make a definite statement, he gave me to understand that the officers of the Department of Industries

Industries, Hyderabad, seem to have taunted him that he was anxious more to help the soaps manufactured by another Government while he was not so anxious to help the factory started in Hyderabad by Nizam's Government. It seems hints were given that Hyderabad merchants should first help their own Government factory before they sought similar business from outside. With this preliminary observation he said he is still prepared to act as our agent. The following are the main terms discussed.-

(a) Guarantee: He was not prepared to give any guarantee of sales.

(b) Territory: Nizam's Dominions.

(c) Security deposit: Not prepared to give any security deposit, but I was asked to make my own enquiries in the banks.

(d) Free delivery of our soaps in all railway stations.

(e) Import Duty: There is an import duty of 5% on all soaps entering Hyderabad territory and the factory should pay the import duty.

(f) Remuneration: 10% plus 2½% or 12½%, the agent himself to be responsible for all advertisement, travelling, and other sales expenses.

(g) Period of agency: One year. He said he would like to try it for a year and see if it was worth his while to continue this business any longer.

(h) Payment: 45 days for payment.

I could not meet Mr. Collins himself because all the public offices etc. had been closed for 3 days on account of Census. Further, in the light of this gentleman's re-

marks

remarks I did not know whether it would after all have been wise on my part to consult Mr. Collins. On my own enquiries at Hyderabad I discovered that the soaps manufactured by that Government have not been finding much popularity in those markets.

2) Mr. M.S. Subba Rao: This gentleman is a retired officer and is doing business from his own house in several directions. He holds agencies for an insurance company and one or two other miscellaneous lines. He has been selling Mysore soaps for nearly three years. He is enthusiastic and is free to devote his personal attention to our business. He had also formally applied for the agency. The terms offered and which he is prepared to accept are as follows:-

(a) Territory: Nizam's Dominions.

(b) Period: One year to begin with to be continued for another two years if the work is satisfactory.

(c) Security deposit: Rs.1,500/- offered in cash or Government papers. If in cash we are to pay him interest between 5½% and 6% as fixed by Government.

(d) Guarantee: He is prepared to guarantee a sale of Rs.7,500/- during the first year.

(e) Remuneration: 5% plus 5% = 10% on the sale value of soaps.

(f) Payment: On bills through one of the recognised banks at 45 days sight, to be extended up to 90 days after getting to know each other a little better.

(g) Import duty: The factory to pay the import duty of 5%.

This gentleman has for us son-in-law a Mysore gentleman who will be constantly travelling all over Hyderabad and Mr. Subba Rao informed me that he will make use of him for this business also. He expressed a wish that even though he is prepared to accept these terms, the factory should help him in the matter of advertisements to supplement his own efforts. I told him that we cannot bind ourselves to do any such thing but the matter will be considered. I enclose herewith a copy of his letter confirming the above proposals.

3) The International Trading Co: It is on this firm's behalf that one Mr. Lakshminarasu had seen the Director about a month ago. I could not meet Mr. Lakshminarasu himself, but met Mr. Nambiar who is the boss of the whole show. This firm is dealing in electric goods only at present and their idea seems to be to expand business in other directions also. There are three Mysoreans employed in this firm and the general impression I gained when I visited the shop was that it consists of very smart and energetic workers. The general impression was good. The following terms were discussed.

(a) The firm is not prepared to give a guarantee; but if we insist on a guarantee, they require a higher remuneration.

(b) Remuneration: If no guarantee is given, they expect 10% commission; if a guarantee of Rs.7,500/- worth of soaps is given, they expect 15%. If the guarantee should be for Rs.10,000/- and over, the commission should be 17½% - all on list prices.

(c) Free delivery at all railway stations and also the Factory to pay import duty.

(d) Agreement should be for one year.

(e) Payment: In the early stages they are to pay cash against documents through bank, until such time when a bigger volume of business justifies an alteration of terms.

(f) They are not prepared to give any security deposit.

I enclose herewith a copy of their letter dated 3rd March 1931 confirming the above proposals.

4) Messrs. J.A. Kareem & Co: This firm had once upon a time acted as our agents in Nizam's Dominions and they have expanded to nearly ten times their original size. In fact, it is the leading firm of Secunderabad for all sorts of miscellaneous goods. When I approached this firm, Mr. Kareem said that he does not want the agency, for any kind of soap either Indian or foreign. By the manner of his conversation I gathered an impression that he feels that if he took up the agency for any kind of soap, while at the same time not pushing the Hyderabad soaps, his motives might be misunderstood. He is a very clever businessman and he is one of those who depend for a great deal of patronage of Government and Government

servants. He however recommended the names of two other firms and when I called at their places the proprietors of both of them had gone away from Hyderabad. The clerks in charge could not obviously discuss any terms with me.

5) Mr. B.K.C. Iyengar: This is a Mysore gentleman who has settled down in Hyderabad to earn his livelihood by doing business. He is an agent for the General Assurance Company of Ajmer and he is having a fair amount of business to his credit in this line. He offered his personal services as a Mysorean and informed me that he is prepared to devote his full time and energy for pushing on our soaps. His proposals are as follows.

A small consignment of soaps worth Rs.1,000/- will always be kept at Hyderabad to supply the day to day requirements of small merchants. Every month this stock is to be replenished to bring up to the value of about Rs.1,000/-. In the case of indents for not less than a case at a time he will ask the factory to send the soap direct to the parties arranging for payment either through a bank or for recovery of the amount by V.P.. The soaps should be delivered free on rails in Nisam's Dominions and also the factory should pay the import duty of 5%. His own remuneration will be 5% and he expects a small carriage allowance for moving about in Hyderabad and Secunderabad (both these cities are of long distances). He informed me that he is too poor to give any security deposit nor is he prepared to give

any guarantee of sales.

"As an honest Mysorean I offer to work for you and kindly give me a chance to show what I am capable of. After all you are going to trust me with about Rs.1,000/- worth of soaps and if at any time you feel that I am not doing the work properly, you can send me away. I am prepared to get personal references from many prominent people in Mysore."

I have been acquainted with this gentleman for nearly 12 years. I do not know his present circumstances, but he struck me as being genuinely anxious to work for a Mysore concern and incidentally to earn his own livelihood.

About 50% of the shops in Hyderabad and Secundarabad are stocking Mysore soaps and I do think it is possible to increase our sales there by having a local agent. I request you to kindly advise me as to the party to whom the agency is to be entrusted.

Bangalore,)
7th March 1931.)

Industrial Chemist &
Chemical Engineer.

JCJ:VRR.

GOVERNMENT SOAP FACTORY, BANGALORE.

Copy of letter dated 3rd March 1931 from Mr. M.B. Subba Rao, 942, Hanuman Tekdi, Hyderabad-Deccan, to S.G. Sastry, Esq., B.A., M.Sc(Lond), Industrial Chemist & Chemical Engineer, Govt. Soap Factory, Bangalore.

With reference to our personal interview, I wish to state, I am willing to accept your terms for the the Sole Agency of your soaps and other products in the Hyderabad Dominions.

The terms being that a fixed deposit of Rs.1,500/- either in the shape of bonds or cash to be deposited with you, and we, in return, to find a market for your goods to the extent of Rs.7,500/- in the year. You are to give us a 5% commission on goods sold, and 5% for advertising and travelling etc; and the goods to be delivered to us free of customs and freightage, at any railway station in the Dominions.

Note: Payment, for goods, either we give you a reference to one of the local Banks for a payment to be made within 45 days of the delivery of the Railway Receipt or by V.P.P.

Requesting to be favoured with an early and favourable reply; and

Thanking you,

VRR.

GOVERNMENT SOAP FACTORY, BANGALORE.

Copy of letter No.D-10/DKN-3119 dated March 3, 1931 from The International Trading Company, 130, James St., Secunderabad Dn, to S.G. Sastry, Esq., B.A., M.Sc(Lond), Industrial Chemist & Chemical Engineer, The Government Soap of Mysore, Bangalore.

Re: Agency for Mysore soaps.

In confirming the conversation I had with you on the 28th ultimo regarding our taking up the agency for the distribution of the soaps manufactured by the Mysore Government Soap Factory, for H.E.H. the Nizam's Dominions, I have the pleasure in formulating the following proposals on the subject.-

1. This agreement covers all the products manufactured by the Mysore Government Soap Factory at present.

2. All materials will be supplied to us against documents drawn through Bank.

3. Sales of these products will be made at prices fixed by the Government of Mysore from time to time and the control of these prices are always vested in the Government of Mysore.

4. That you will allow us a discount ~~of~~ on the following basis.-

(a)	No guarantee. ..	10%
(b)	Rs.7,500/- and over.	15%
(c)	Rs.10,000/- and over.	17½%

on the list prices.

5. All the enquiries and orders emanating from the territory allotted to us should be referred to us.

6. In case, during the period of this agreement any sale is effected by any one of your Agents in any part of India, at prices which are less than the list prices fixed by the Government, we shall be entitled to get our full discount on such sales, from you.

7. This agreement is to be for one year in the first instance and to be renewed thereafter.

2. Any dispute arising on account of this agreement will be settled by arbitration, the place and arbitrators to be mutually agreed upon.

As agreed during the time of discussion, I think it would be best, if instead of taking the soaps on consignment account, I pay cash against documents through bank, until such time when a bigger volume of business justifies an alteration in the terms.

I trust that you will approve of my suggestions and signify your acceptance of the same, so that I may proceed further on this subject.

Thanking you and with best personal regards,

V.R.

Appendix F G—1

SUBJECT.....

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Diary No. of letter replied to.....

Section 94 G.

File No. 223-30

Serial No. 04

No. D. 9460

General and Revenue Secretariat

( )

the *193* .

To

The Director of S&A

Date of issue 8:4:31

Sir

Signed by P.N.M.S.R

With Refce to your letter no D2-682/27-28 dt 17th March 1931 Recommending the appointment of agents for the Sale of Saagos in the Bombay Presidency, U.P. and the Nizam's Dominions, I am directed to enquire whether in submitting these proposals the application of Mr. M. A. F. Acharya & Co (Sent by you for report vide This office letter no. 8385/24 223-30-4 dt 11-2-31) has also been considered. No reference is made to this subject in your letter and in this connection

List of enclosures.....

Copied by.....

Examined by.....

over

WD 02559—GPB—25,000—25-6-30

8/4/31

26 DS.

TELEGRAPHIC ADDRESS:—"INDUSCOM."

GOVERNMENT OF MYSORE.

DEPARTMENT OF INDUSTRIES AND COMMERCE.

In reply please refer to
No. D2-682/27-28
Encl.

OFFICE OF THE DIRECTOR,

Dated, Bangalore, 18th April 1931.

FROM

C. RANGANATHA RAO SAHIB, Esq., B.A., B.L.,
Director of Industries and Commerce in Mysore,
(Bangalore, India.)

To

N. Rama Rao, Esq., B.A., B.L.,
Secretary to the Government of Mysore,
Development Departments, Bangalore.

SIR,

Agencies for the sale of soaps in Bombay, United Provinces, Central Provinces and the Nizam's Dominions.

With reference to your letter No. D. 9460/I & C 223-30-9 dated 8th April 1931 enquiring whether the application of Messrs. M. A. T. Acharya & Co., for appointment as Agents for the sale of Soaps in the Bombay Presidency was considered when I submitted my recommendations in regard to this Agency in my letter of even No. dated the 18th March 1931, I have the honor to state that I had fully considered the claims of Messrs. M. A. T. Acharya & Co., as advanced in their application dated th e 15th Jany. 1931. The applicants is of opinion that being Mysoreans with patriotism and enterprise, they is more competent to sell Mysore soaps in Bombay - than any firm in Bombay. This is incorrect and does not deserve much attention. Messrs. M. A. T. Acharya & Co., have been appoint -ed as Agents for the sale of soaps in Mysore and there is a good deal of room for improvement in the work that is being - done now. Government have recently appointed them as Agents for the sale of Soaps in the Mysore State and have indicated the progress in the sales that should be made each year. It would not be possible for this firm to carry out their programme if addition -al responsibilities are imposed on them, while at the same time, it would involve undue risk in respect of the future sales in Bombay area

area if an entirely new firm should be given the sole agency. I am of opinion, therefore, that the application of Messrs. M. A. T. Acharya & Co., does not deserve any consideration and request very early orders of Government on the recommendations contained in my letter of the same No. dated the 18th March 1931.

I have the honor to be,
Sir,
Your most obedient servant,

Ramgrmalna Rao Saheb
Director.

CRS-USC)3
1912

Proceedings of the Govt. of H.E.
the Maharaja of Cochin.

Read -

W.L.M.W.Weil-11/130 340-27-1 dated 9th April 1929 sanctioning the continuance for a period of three years of the Agency of Messrs. Ramjanmally Murahim & Co., for the sale of soaps in the Bombay Presidency.

2. Correspondence ending with letter No.D.2- 332/27-28 dated 17th March 1931 from the Director & Etc. submitting his proposals for the appointment of agents in the Bombay Presidency, United Provinces and the Nizam's Dominions.

Order No.

dated, Bangalore, 1931.

I The Director's recommendation to continue Messrs. Ramjanmally Murahim & Co., as agents for the sale of soaps in Bombay Presidency for a further period of three years subject to the following conditions is approved:—

1. The ~~territories of the U.P. and H.~~ United Provinces and the Bombay Presidency except Cochin shall be removed from the jurisdiction of the Bombay Agency.

2. The agents shall undertake in writing not to manufacture any brands of soaps other than "Deep Washing Soap" and "Fine Turkish Bath Soap". The Agency will be liable to be terminated without notice if this condition is violated.

3. If at any future date, it should

appear to Government that the interest of the Agents in the soaps referred to in clause (2) is prejudicially affecting the sales in the Bombay Presidency of the products of the Government Soap Factory, the agency will be liable to be terminated

The recommendation to allow the agents a commission of 17½% for a guaranteed sale of soaps of the value of Rs.1,25,000 and of 18% ~~for that of~~ if Rs. 1,50,000/- is sanctioned.

II The Director's recommendation to appoint Messrs. Mohanlala Moolchandu, Cawnpore, as agents for the sale of soaps in the U.P. and C.P. subject to the following terms is approved:—

(1) Free delivery at all railway stations.

(2) Commission : ten per cent.

(3) Extra 5% for advertisement and dealers' discounts.

(4) Territory : United Provinces, Bundelkhand, Baghelkhand and Central Provinces (including Berars).

(5) 90 days time for payment or 1½ % ~~cash~~ discount for Cash payment.

(6) Period of agency: One year subject to renewal, if work is satisfactory, for another two years.

III Sanction is also accorded to the appointment of Messrs. Habib Aziz & Co., ~~are also~~ as appointed agents for the sale of soaps in the Nizam's Dominions for a period of one year on the following terms: -

~~(1) Territory: Nizam's Dominions.~~

(1) Free Delivery of ~~our~~ soaps at all railway stations.

(5) Remuneration : 10% plus ~~the~~ ; the agent himself ~~to~~ be responsible for all advertisement travelling and other sales expenses.

(6) Terms of Payment : 45 days ~~for payment~~.

The ~~Factory shall pay the~~ import duty of 5 per cent payable on soaps imported into the Nizam's Dominions shall be at his account after sale is made.

30/4/31
Secretary to Govt.
29/4/31 Development Depts.

29.4.31.

To

The Director of Industries and Commerce

The Comptroller to Govt.

AJH.